

C.) REMARKS:

1. Introduction

Claims 2-19 and 32-41 are currently pending in this application. Claims 2, 10, 32 and 36 are independent. Claims 1, and 20-31 have been previously cancelled without prejudice. Claims 12, 18, 35 and 41 have been cancelled herein without prejudice. Applicants reserve the right to pursue one or more of the cancelled claims in a subsequent divisional or continuation application. Claims 42-45 have been added herein to further claim that which applicants' regard as their invention. No new subject matter has been added.

Any amendments to the claims made herein that are not specifically asserted below to be made (1) in response to an objection or rejection by the Examiner or (2) to specifically narrow the claims in response to any Patent Act requirement, have been made solely to better define the scope of that which applicants regard as their invention. Unless otherwise stated herein, such amendments are not intended to narrow the scope of any claim element, or any equivalents of the claim element that were applicable prior to such amendment.

2. Claim Rejections under 35 U.S.C §112

In the Office Action, the Examiner has rejected claims 37 and 41 35 U.S.C. §112, second paragraph, as being indefinite due to their particular claim language.

Claim 41 has been cancelled without prejudice for other reasons, and thus the rejection of this claim is no longer applicable. Furthermore, other rejections of claim 41 presented in the Office Actions will, therefore, not be particularly addressed herein.

In response to the rejection of claim 37, Applicants believe that the amendment of independent claim 36, from which claim 37 ultimately depends, provides initial purchase criteria of “a purchase price” and “a quantity” such that the meaning of “an additional purchase criteria” recited in claim 37 is not indefinite. Accordingly, reconsideration and withdrawal of this rejection of claim 37 is respectfully requested.

3. Claim Rejections Under 35 U.S.C. §101

In the Office Action, the Examiner has rejected claims 10-19 under 35 U.S.C. §101 as being directed to non-statutory subject matter. Applicants’ respectfully disagree with this rejection for the following reasons:

There are four general classes of statutory subject matter defined in 35 U.S.C. §101: processes, machines, manufactures and compositions of matter. “The term “process” as defined in 35 U.S.C. 100, means process, art or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.” (MPEP §706.03(a)).

Applicants claims 10-19, as well as amended claims 36-40 and new claims 44 and 45 recite various methods, thus falling squarely into the statutory category of process, as provided in MPEP §706.03(a). Note that the recitation of examples there includes “process” or “machine” as alternatives, not necessarily together as the Examiner suggests. In fact, there is nothing in any definition of a process provided in Title 35 of the United States Code, Title 27 of the Code of Federal Regulation, the current edition of the Manual of Patent Examining Procedure or any known relevant and binding judicial decisions in which a process must include a “technical element” as required by the Examiner. The decision in *State Street Bank & Trust Co. v.*

Signature Financial Group Inc., 149 F.3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998), is instructive in that any business method is patentable under 35 U.S.C. §101, with no mentioned requirement for a “technical element” or the like.

Furthermore, only three general areas of non-statutory subject matter are currently recognized: (1) natural phenomena, such as magnetism (2) abstract ideas with no utility or (3) laws of nature. (MPEP §2106 under the heading of “Non-Statutory Subject Matter”). The Examiner has made no showing that claims 10-19 encompass any of these forbidden areas. In fact, claims 10-19, 36-40, 44 and 45 are not in conceivably any of these forbidden areas.

The Examiner is requested to consider the following passage from MPEP §2106 under the heading of “Statutory Process Claims”:

“A claimed process is clearly statutory if it results in a physical transformation outside the computer...” (examples omitted).

If there are physical transformations outside of a computer, in accordance with the above definition, then there should be no requirement for a “technical element” for performing such transformations, as the Examiner would require. Clearly, in certain embodiments of the Applicants’ claimed invention, some of the recited elements may be performed outside of the computer, such as in a “simple paper-based office procedure” as suggested by the Examiner. Accordingly, Applicants submit that even with such “offline” embodiments, Applicants’ process claims are statutory.

Furthermore, according to MPEP §2106 under the heading of “Non-Statutory Subject Matter,” a claim must recite an application in the technological arts only if the claim as a whole consists of functionally descriptive subject matter and does not result in a physical transformation outside the computer. “Functionally descriptive” means a data structure or a manipulation by a computer program (MPEP §2106 under the heading of “Statutory Process Claims”). The Examiner admits that certain elements of the rejected claims could be performed outside a computer. Thus, the subject matter of such claims is not functionally descriptive material subject to the Examiner’s requirements.

Accordingly reconsideration and withdrawal of this rejection of claims 10-19 are respectfully requested.

4. Claim Rejections Under 35 U.S.C. §102(e)

In the Office Action, the Examiner has rejected claims 2-3, 6-10, 12-15, 17-19, 36-37 and 40-41 as anticipated under 35 U.S.C. §102(e) by U.S. Patent No. 6,269,343 in the name of Pallakoff (hereinafter referred to as “Pallakoff”). Claims 12, 18 and 41 have been cancelled herein without prejudice and so this rejection of those claims is moot and will not be discussed. Applicants’ remaining claims subject to this rejection have been amended as follows to address this rejection:

Independent claims 2, 10 and 36 have been amended herein to recite, in various terms, a purchase request including a purchase price for an item being submitted by a purchaser. Support for these amendments can be found in Applicants’ Specification, inter alia, at the second full paragraph of page 4 and at the last paragraph of page 11 which continues on to page 12.

These independent claims further recite, in various terms, fulfilling a collective procurement order based on the purchase price submitted by the purchaser. Support for such amendments can be found in Applicants' Specification at the first full paragraph of page 12, the first full paragraph of page 19 and the second full paragraph of page 20.

Pallakoff, on the other hand, neither teaches nor suggests using a purchase price submitted by a purchaser in a collective procurement offer. Pallakoff, in fact teaches away from Applicants' use of purchase prices to fulfill collective procurement orders. Pallakoff instead teaches that fulfillment prices are determined solely by the sellers based on volume of units to be sold. (See Pallakoff at the Abstract, element 44 of FIG. 4, Col. 1, lines 53-55, Col. 6, lines 6-10, Col. 8, lines 28-32, Col. 11, lines 16-24 and Claims 1-11. See also, element 65 of FIG. 6 of Pallakoff and accompanying description at Col. 7, lines 18-21, that describe a buyer only entering a quantity of an item to be purchased. Thus, Pallakoff does not anticipate Applicants' claims for at least these reasons.

Applicants' further respectfully disagree with the Examiner's assertion that former claim 18 involving "a purchase price the buyer is willing to pay" is inherent in Pallakoff. Pallakoff instead specifically teaches at Col. 11, lines 42-52 that a buyer may "specify that the buyer will buy the product only if the demand is sufficient to lower the price to a particular level." However, this only indicates that "the order being placed is conditional upon the price reaching a particular level..." Thus, the received price instructions in Pallakoff are not used to fulfill the collective procurement order as in Applicants' claimed invention, where the filling of the order is based on the purchase price submitted by the purchaser. Pallakoff only teaches using a price condition from a buyer to be excluded from a collective procurement order. Thus, such submitted pricing

conditions in Pallakoff are not used to fulfill the collective procurement order based on the purchase price, as claimed by Applicants.

Thus, Pallakoff, fails to teach or suggest the use of purchase prices as in Applicants' independent claims 2, 10 and 36. Dependent claims 3, 6-9, 13-15, 17,19, 37 and 40 each inherit these distinctions based on their ultimate dependency from one of independent claims 2, 10 and 36. Accordingly, reconsideration and withdrawal of this rejection of claims 2, 3, 6-10, 13-15, 17,19, 36-37 and 40 based on the foregoing arguments are respectfully requested.

5. Claim Rejections Under 35 U.S.C. §103(a)

In the Office Action, the Examiner has rejected claims 11 and 32-25 under 35 U.S.C. §103(a) as obvious over Pallakoff in view of U.S. Patent No. 6,260,024 to Shkedy (hereinafter referred to as "Shkedy"). Claim 35 has been cancelled herein without prejudice for other reasons and will not be discussed further as this rejection of that claim is moot. Applicants, however, respectfully disagree that Pallakoff or Shkedy, either alone or in combination, teach or suggest the recitations of Claims 11 and 32-34.

The distinction of the teachings of and, in fact, the actual teaching away of Pallakoff with respect to purchase prices submitted by purchasers and used to fulfill collective procurement offers has been discussed above in Section 4 of this Response.

Shkedy, likewise, does not teach or suggest using purchase prices submitted by a purchaser to fulfill a collective procurement order. Shkedy teaches only that the central controller, not the buyer, determines the purchase price. (See Shkedy at element 54 of FIG. 2A, element 530 of FIG. 5, Col. 5 @ lines 43-45, Col. 20 @ lines 66-67, Col. 26 @ lines 58-62), and

Claims 2 and 32-34). In fact, the buyer only enters a description of the goods to be purchased (Col. 13, line 35) and a quantity to be purchased (Col. 13, lines 57-61). There are no provisions for a buyer to even enter a purchase price anywhere in Shkedy and in fact, the purchase price is solely determined by the central controller as described immediately above. See also, FIG. 2a describing steps performed by a buyer in Shkedy, which do not include entry of a purchase price. In fact, Shkedy is absolutely devoid throughout its entire disclosure of any descriptions of entry of a purchase price by the purchaser to join a collective procurement order, or use of the purchase price to fulfill the order. Thus, the disclosure in Shkedy can not cure the defects in Pallakoff with respect to applicants' amended claims.

Claim 11 inherits the recitation of purchaser-submitted purchase prices via its dependency on independent claim 10, which was discussed above in Section 4. Independent claim 32 has been amended to recite: (1) "a separate purchase request having a purchase price and a desired quantity of the item" received from a purchaser and (2) fulfilling the collective order based on "each said supply price and purchase price." Dependent claims 33-34 inherit these recitations via their ultimate dependency on claim 32. Thus, neither Pallakoff, Shkedy, or a combination of the two can be used to teach Applicant's use of buyer submitted purchase prices to fulfill a collective procurement order. In fact, the two references both teach away from use of a buyer submitted purchase price to use either of their inventions, as both require an entity different from the purchaser to determine the price to fulfill a collective procurement order.

Based on these distinctions, reconsideration and withdrawal of this rejection under 35 U.S.C. §103(a) of claims 11 and 32-34 are respectfully requested.

In the Office Action, the Examiner has further rejected claims 4, 5, 16, 38 and 39 under 35 U.S.C. §103(a) in view of Pallakoff. Each of these rejected dependent claims ultimately depends from one of independent claims 2, 10 and 36 as described above. Thus, these claims inherit the recitations of using a buyer-submitted purchase price to fulfill a collective procurement order as were previously described above in Section 4 of this Response. For at least the reasons presented therein, Applicant submits that Pallakoff does not obviate any of claims 4, 5, 16, 38 and 39. Accordingly, reconsideration and withdrawal of this rejection of these dependent claims are respectfully requested.

6. Comments on Particular Claim Amendments Made by the Applicant

Newly added claims 42-45 replace claims 12, 18, 35 and 41 cancelled herein. Though the subject matter is not comparable, Applicants' believe that no fees for additional claims are due by the addition of dependent claims 41-45 after the cancellation of claims 12, 18, 35 and 41. Should any claim fees be necessary, please charge the below-named representative's Deposit Account as provided for in the accompanying Fee Transmittal form.

Newly added claims 41-45, which ultimately depend from either independent claim 2 or 10 and inherit the recitations thereof, are distinguishable from the prior art of record for at least the reasons provided above with respect to those independent claims. Furthermore, each of these added claims recites use of purchase price submitted by a purchaser and thus are separately distinguishable for these reasons.

Amendments to claims 9, 15, 16, 39, 42 and 44 to recite purchase prices that are submitted by the purchaser further distinguishes these particular claims from the prior art of record.

Claims 36-40 now recite a statutory process, having been amended from the statutory category of machine, in order to better define that which Applicants regard as their invention.

Particular rejections of various of the independent claims have not been addressed because of the distinctions of the prior art described above, however, Applicants reserve the right to further distinguish such rejections of the dependent claims if the Examiner continues the above-addressed rejections.


7. Conclusion

This amendment is believed to be responsive to each issue raised in the Office Action dated December 4, 2002. Reconsideration and allowance of each of the pending claims is respectfully requested. The Examiner is invited to contact the undersigned at the telephone number provided below if it will advance the prosecution of this application.

In the event that an extension of time is required, or a further extension of time is required in addition to that requested previously herein, the Commissioner is requested to grant a petition for that extension of time which is required to make this response timely and is hereby authorized to charge any fee for such an extension of time, or credit any overpayment, to the below-signed practitioner's deposit account number: 50-2396.

Respectfully submitted,

Dated: May 5, 2003

By: 
Charles A. Rattner
Registration No. 40,136
240 Wardwell Street #7
Stamford, CT 06902
(203) 325-8240
(203) 547-6129 (facsimile)
crattner@axiomlegal.net